



QUARTERLY INVESTMENT REPORT

For the Quarter Ended

December 31, 2020

**Prepared by
Valley View Consulting, L.L.C.**

The investment portfolio of the Town of Trophy Club is in compliance with the Public Funds Investment Act and the Investment Policy and Strategies.

Mike Erwin

Investment Officer/Finance Manager

April Duvall

Chief Financial Analyst

Disclaimer: These reports were compiled using information provided by the Town. No procedures were performed to test the accuracy or completeness of this information. The market values included in these reports were obtained by Valley View Consulting, L.L.C. from sources believed to be accurate and represent proprietary valuation. Due to market fluctuations these levels are not necessarily reflective of current liquidation values. Yield calculations are not determined using standard performance formulas, are not representative of total return yields, and do not account for investment advisor fees.

Strategy Summary

Quarter End Results by Investment Category:

Asset Type	September 30, 2020			December 31, 2020		
	Ave. Yield	Book Value	Market Value	Ave. Yield	Book Value	Market Value
Demand Accounts	0.00%	\$ 2,172,788	\$ 2,172,788	0.00%	\$ 1,904,851	\$ 1,904,851
Money Markets/Local Gov't Investment Pools	0.34%	11,762,443	11,762,443	0.21%	14,771,255	14,771,255
Totals	0.28%	\$ 13,935,231	\$ 13,935,231	0.19%	\$ 16,676,106	\$ 16,676,106

<u>Current Quarter Average Yield (1)</u>	
Total Portfolio	0.19%
Rolling Three Month Treasury	0.09%
Rolling Six Month Treasury	0.12%
TexPool	0.09%

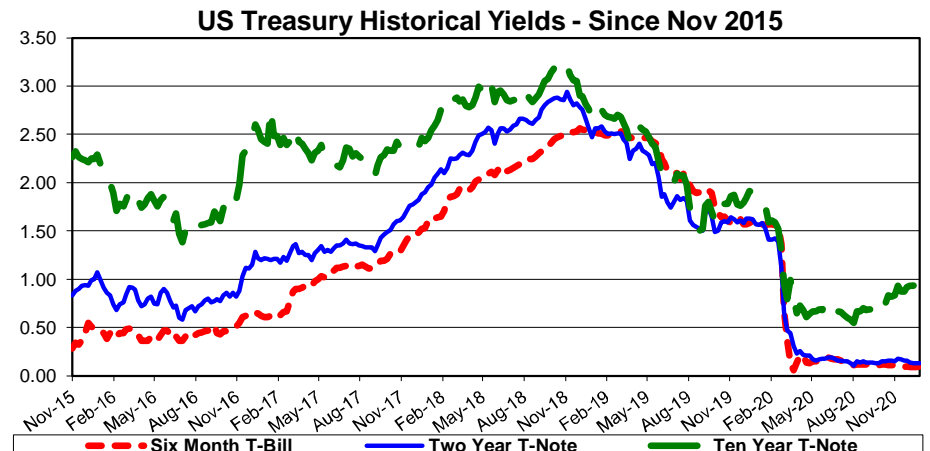
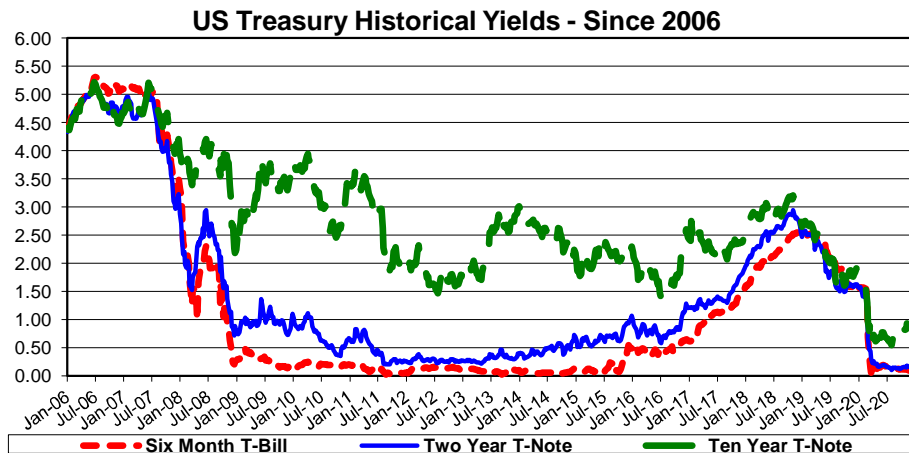
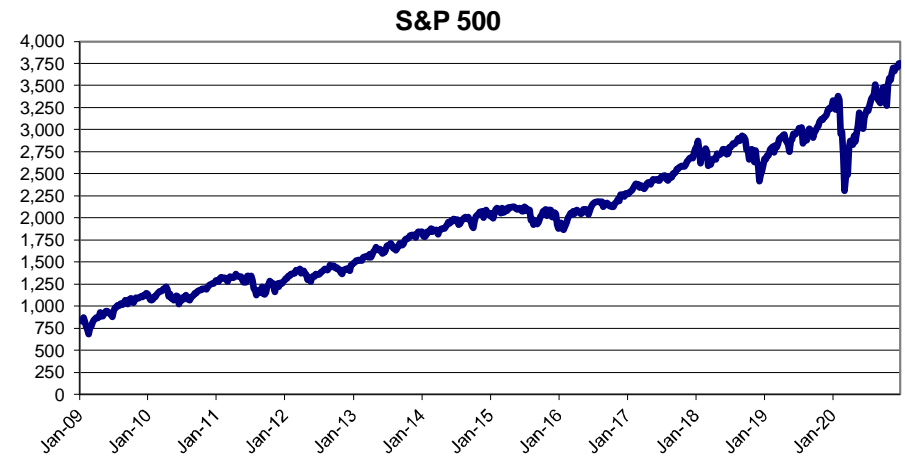
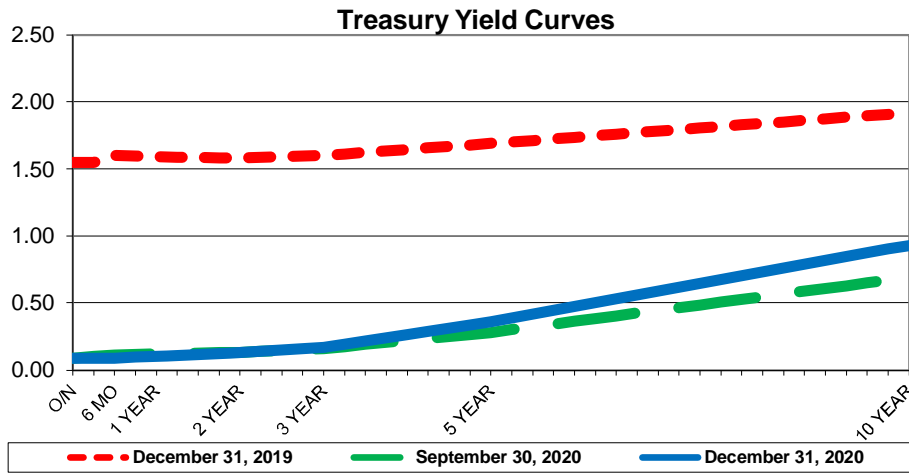
<u>Fiscal Year-to-Date Average Yield (2)</u>	
Total Portfolio	0.19%
Rolling Three Month Treasury	0.09%
Rolling Six Month Treasury	0.12%
TexPool	0.09%

<u>Interest Revenue (Approximate)</u>	
Quarterly Interest Income	\$ 8,609
Year-to-date Interest Income	\$ 8,609

(1) **Current Quarter Average Yield** - based on adjusted book value, realized and unrealized gains/losses and investment advisory fees are not considered. The yield for the reporting month is used for bank, pool, and money market balances.

(2) **Fiscal Year-to-Date Average Yields** - calculated using quarter end report yields and adjusted book values and does not reflect a total return analysis or account for advisory fees.

The Federal Open Market Committee (FOMC) maintained the Fed Funds target range at 0.00% to 0.25% (Effective Fed Funds are trading +/-0.10%), and projected that reduced rates could remain into 2024. Second estimate of Third Quarter GDP was finalized at +33.4%, but still remains 3.5% below pre-pandemic levels. Crude oil traded above \$50 per barrel. Employment/ Unemployment continues modest improvement. The Stock Markets reached new highs. Housing continues adding positive economic activity. Additional fiscal stimulus passed and was signed by the President. The Yield Curve steepened slightly from last quarter end.



Investment Holdings

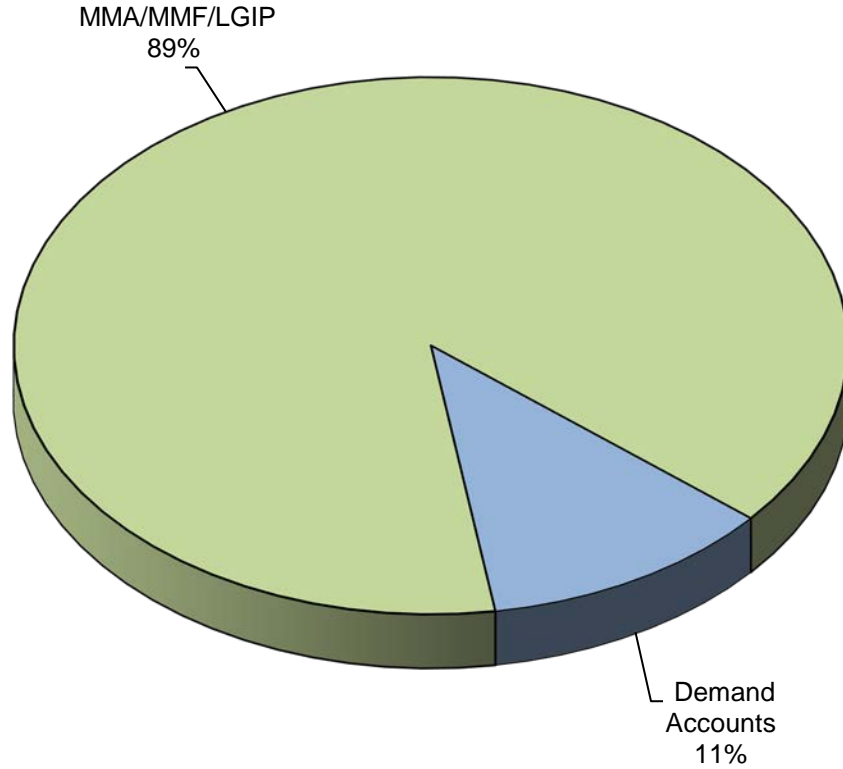
December 31, 2020

Description	Ratings	Coupon/ Discount	Maturity Date	Settlement Date	Par Value	Book Value	Market Price	Market Value	Life (days)	Yield
Wells Fargo - Cash		0.00%	01/01/21	12/31/20	\$ 1,904,851	\$ 1,904,851	1.00	\$ 1,904,851	1	0.00%
InterBank Money Market Account		0.45%	01/01/21	12/31/20	249,095	249,095	1.00	249,095	1	0.45%
InterBank Insured Cash Sweep		0.45%	01/01/21	12/31/20	4,722,916	4,722,916	1.00	4,722,916	1	0.45%
TexPool LGIP	AAAm	0.09%	01/01/21	12/31/20	7,694,101	7,694,101	1.00	7,694,101	1	0.09%
TexasCLASS LGIP-Gov't	AAAm	0.09%	01/01/21	12/31/20	2,105,143	2,105,143	1.00	2,105,143	1	0.09%
\$ 16,676,106						\$ 16,676,106		\$ 16,676,106	1	0.19%
									(1)	(2)

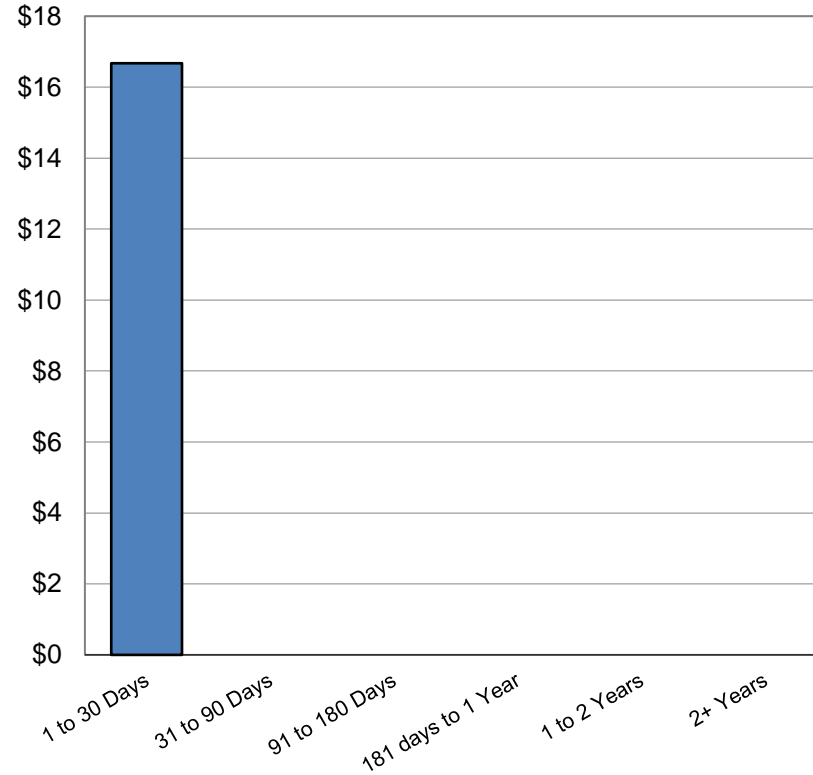
(1) **Weighted average life** - For purposes of calculating weighted average life, bank accounts, pools and money market funds are assumed to have an one day maturity.

(2) **Weighted average yield to maturity** - The weighted average yield to maturity is based on adjusted book value, realized and unrealized gains/losses and investment advisory fees are not considered. The yield for the reporting month is used for bank accounts, pools and money market funds.

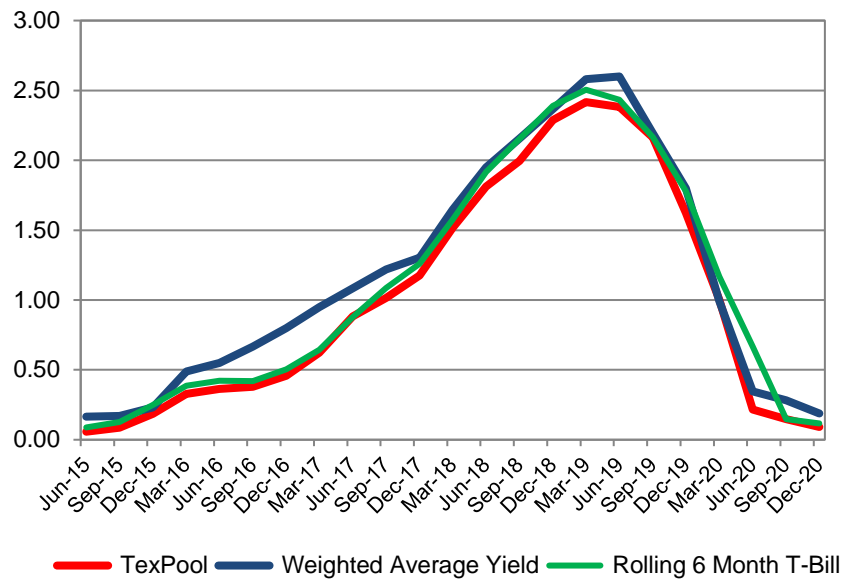
Portfolio Composition



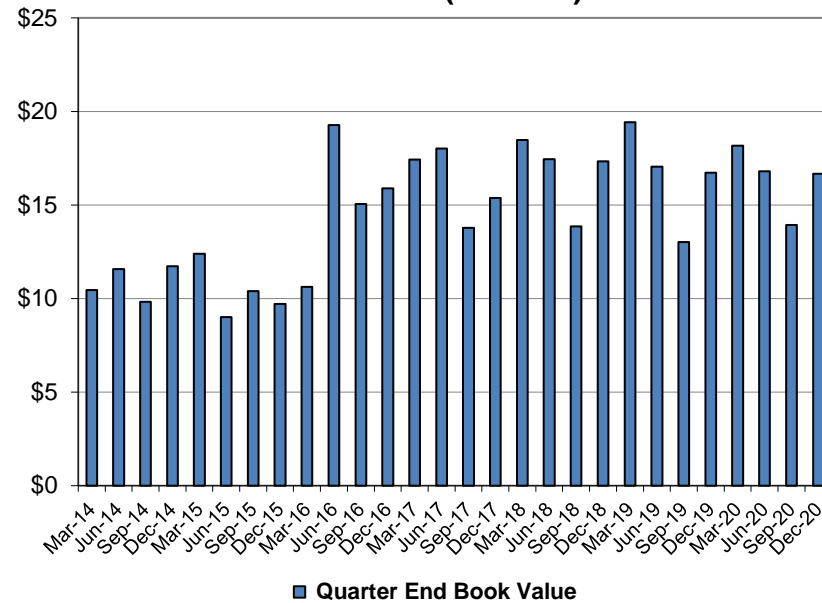
Distribution by Maturity (Millions)



Total Portfolio Performance



Total Portfolio (Millions)



Book and Market Value Comparison

Issuer/Description	Yield	Maturity Date	Book Value 09/30/20	Increases	Decreases	Book Value 12/31/20	Market Value 09/30/20	Change in Market Value	Market Value 12/31/20
Wells Fargo - Cash	0.00%	01/01/21	\$ 2,172,788	\$ -	\$ (267,938)	\$ 1,904,851	\$ 2,172,788	\$ (267,938)	\$ 1,904,851
InterBank Money Market Account	0.45%	01/01/21	249,092	3	-	249,095	249,092	3	249,095
InterBank Insured Cash Sweep	0.45%	01/01/21	6,762,851	-	(2,039,935)	4,722,916	6,762,851	(2,039,935)	4,722,916
TexPool LGIP	0.09%	01/01/21	2,854,487	4,839,614	-	7,694,101	2,854,487	4,839,614	7,694,101
TexasCLASS LGIP-non Gov't	0.00%	01/01/21	956,456	-	(956,456)	-	956,456	(956,456)	-
TexasCLASS LGIP-Gov't	0.09%	01/01/21	939,557	1,165,586	-	2,105,143	939,557	1,165,586	2,105,143
TOTAL / AVERAGE	0.19%		\$ 13,935,231	\$ 6,005,203	\$ (3,264,328)	\$ 16,676,106	\$ 13,935,231	\$ 2,740,875	\$ 16,676,106

**Allocation
December 31, 2020
Book and Market Value**

	Total	General Fund	CARES Funds	Debt Service	Storm Drainage Utility	Hotel Occupancy Tax	Parkland Dedication	2017 CO Bond Funds
Wells Fargo - Cash	\$ 1,904,851	\$ 1,214,497	\$ 673,812	\$ -	\$ -	\$ 16,542	\$ -	\$ -
InterBank Money Market	249,095	124,547	-	-	-	-	-	124,547
InterBank Insured Cash Sweep MMA	4,722,916	3,178,902	-	-	-	-	-	1,544,015
TexPool LGIP	7,694,101	4,847,243	-	2,123,560	723,298	-	-	-
TexasCLASS LGIP-non Gov't	-	-	-	-	-	-	-	-
TexasCLASS LGIP-Gov't	2,105,143	-	-	-	-	1,569,301	535,842	-
Total	\$ 16,676,106	\$ 9,365,189	\$ 673,812	\$ 2,123,560	\$ 723,298	\$ 1,585,843	\$ 535,842	\$ 1,668,562

**Allocation
September 30, 2020
Book and Market Value**

	Total	General Fund	CARES Funds	Debt Service	Storm Drainage Utility	Hotel Occupancy Tax	Parkland Dedication	2017 CO Bond Funds
Wells Fargo - Cash	\$ 2,172,788	\$ 1,499,203	\$ 673,585	\$ -	\$ -	\$ -	\$ -	\$ -
InterBank Money Market	249,092	124,546	-	-	-	-	-	124,546
InterBank Insured Cash Sweep MMA	6,762,851	4,734,184	-	-	-	-	-	2,028,667
TexPool LGIP	2,854,487	1,556,254	-	753,986	544,248	-	-	-
TexasCLASS LGIP-non Gov't	956,456	-	-	-	-	763,431	193,025	-
TexasCLASS LGIP-Gov't	939,557	-	-	-	-	746,856	192,701	-
Total	\$ 13,935,231	\$ 7,914,187	\$ 673,585	\$ 753,986	\$ 544,248	\$ 1,510,286	\$ 385,727	\$ 2,153,213